



Republican Policy Committee

Don Nickles, Chairman Kelly Johnston, Staff Director 347 Russell Senate Office Building (202)224-2946

May 12, 1995

Social Security Intact; No New Taxes

Republicans Balance Budget for our Future; Democrats, President AWOL for Deficit Battle

- Congressional Republicans have put forward plans to balance the federal budget by fiscal year 2002, without raising taxes, and without touching Social Security.
- Congressional Democrats, though, have put forward no plan to balance the federal budget.
- Neither has President Clinton put forward a plan to balance the federal budget by fiscal year 2002. In fact, his budget this year proposed allowing the deficit to grow to over \$300 billion just after the turn of the century.

Republicans Deliver on Commitment to Slow Spending Growth

- Federal spending, FY 1995: \$1.5 trillion.
- Federal spending under Republican plan, FY 2002: \$1.9 trillion.
- Overall, federal spending increases would slow to 3 percent annually.
- Still, nondefense discretionary spending will total nearly \$2 trillion in seven years, while Social Security is preserved.
- For the first time in over 25 years, beginning in 2002 the federal government will actually have the ability to pay off principal on its \$5 trillion debt.

Republicans Deliver on Balanced Budget

FY	REPUBLICANS	DEFICITS, PER YEAR	
		CLINTON	DEMOCRATS
1995	\$175	\$177	no plan
1996	\$157	\$211	no plan
1997	\$128	\$232	no plan
1998	\$97	\$231	no plan
1999	\$86	\$256	no plan
2000	\$74	\$276	no plan
2001	\$29	N/A	no plan
2002	+\$2	N/A	no plan

Republicans Deliver on Commitment to Protect Social Security

- Under the Senate Republican plan, spending on Social Security would increase from \$336 billion this year to \$482 billion by FY 2002 — absolutely no change from current law! Over seven years, Republicans plan to spend \$2.9 trillion on Social Security benefits.

Republicans Deliver on Commitment to Reinvent Government

- The Senate Republican plan cast a tough eye on the federal government, to find what has worked and what has failed, what we need and what's outdated and outmoded:
 - ▶ The Commerce Department is phased out.
 - ▶ Over 100 commissions, agencies, and programs which have outlived their usefulness are eliminated, such as the Pennsylvania Avenue Development Corporation, the Appalachian Regional Commission, the Office of Technology Development, the Arms Control and Disarmament Agency, the Board of Tea Experts, and the Interstate Commerce Commission.
 - ▶ GSA supply depots are closed.
 - ▶ The National Service program, which employs workers to "volunteer" in America's communities, is phased out.

Re-inventing Government — On Our Terms

- The federal role in other programs has outlived its usefulness. For example:
 - ▶ The Student Loan Marketing Association, Sallie Mae, is privatized.
 - ▶ Four regional power marketing administrations are privatized.
 - ▶ The Uranium Enrichment Corporation is privatized.
 - ▶ The naval petroleum reserves are privatized.
 - ▶ The Air Traffic Control system is privatized.
- Republicans reduce redundancy, duplication, waste and inefficiency. For example:
 - ▶ Rural development programs are consolidated. Currently, over 600 federal programs address rural development and/or influence economic well-being.
 - ▶ 60 job training programs are consolidated into one, and states are given flexibility in their administration.
 - ▶ Transportation programs are consolidated and duplicative programs eliminated.
 - ▶ 19 Public Health Service programs are consolidated into one block grant.
 - ▶ Duplicative social services program funding is eliminated; programs are consolidated, and prioritized.
 - ▶ The multiple and conflicting land management agencies within the Department of Interior and the Forest Service are reformed.
- In an age of downsizing, Republicans bring common sense to the budget. For example:
 - ▶ As government becomes smaller, Congress and the Executive Office of the President (EOP) need less money to do their jobs. Hence, Congress is cut by \$1.4 billion over seven years, and the EOP reduced by 25 percent.
 - ▶ Funds for construction and acquisition of new federal buildings and facilities are dramatically reduced throughout government.
 - ▶ Community development block grants, nutrition programs, food stamps, and other safety net programs are targeted to the truly needy.

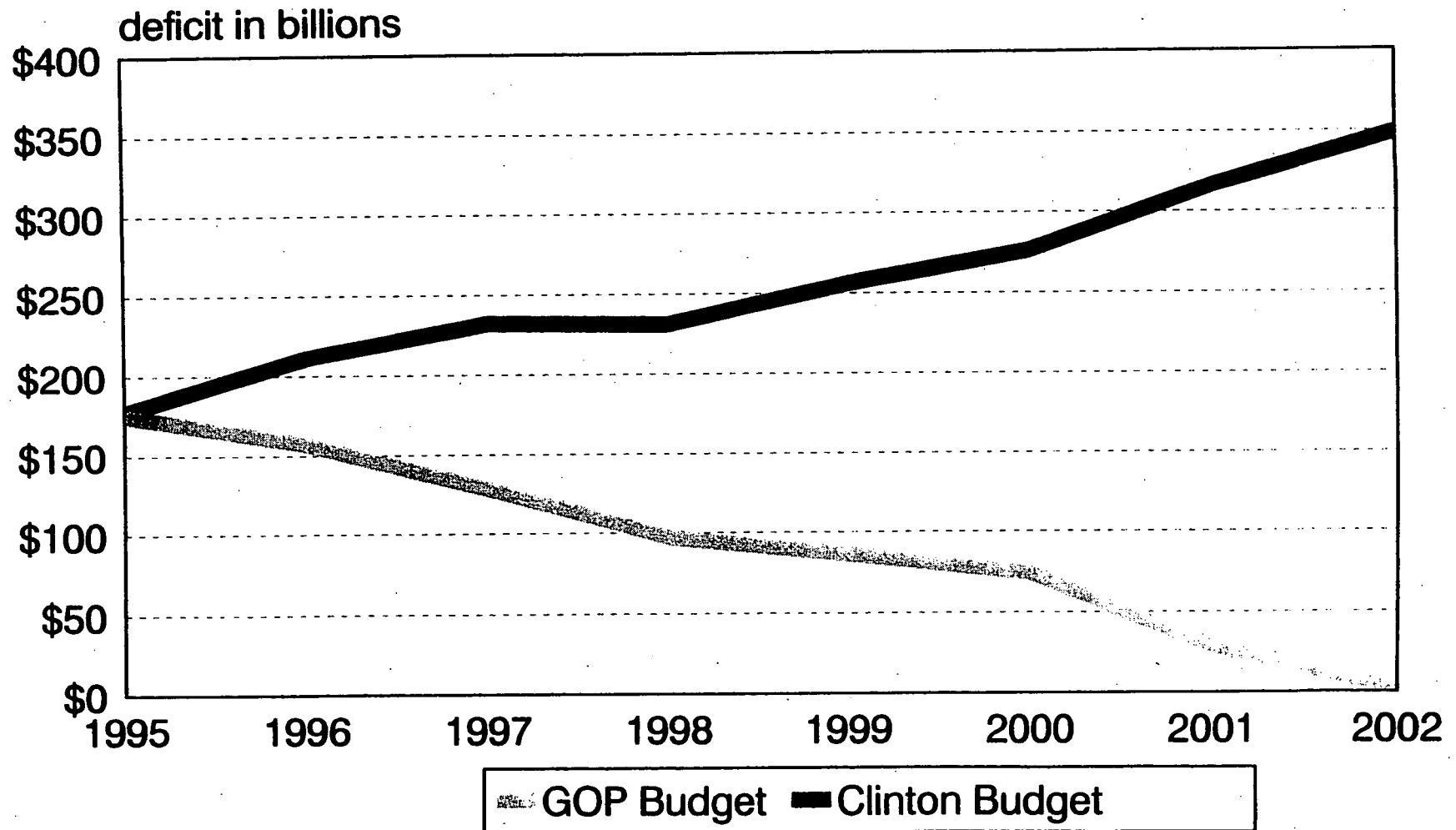
Fair Balanced Budget Plan Benefits All Americans

- The Republican plan will yield real dividends to all Americans:
 - ▶ Right now, the national debt adds 2 percent to all interest rates — car loans, mortgages, credit cards, job creation loans. Balancing the budget will reduce that debt tax.
 - ▶ Balancing the budget takes the federal government out of the borrowing business, freeing up capital for job formation. According to studies, up to 2.7 million jobs could be created once a budget is balanced.
 - ▶ Balancing the Federal budget would stop the debt clock. Our children will thank us.

Staff Contact: Eric Ueland, 224-2946

Deficit: The Next 7 Years

Our Choice is Clear



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